

of “United States” inserted reference to Puerto Rico, in definition of “State” inserted reference to Puerto Rico, and in definition of “Federal property” inserted reference to Department of Defense and United States Postal Service. An identical amendment was made by Pub. L. 93-651. See Codification note above.

1954—Subsecs. (d), (e). Act Aug. 3, 1954, added subsecs. (d) and (e).

EFFECTIVE DATE OF 1954 AMENDMENT

Amendment by act Aug. 3, 1954, effective July 1, 1954, see section 8 of act Aug. 3, 1954.

TRANSFER OF FUNCTIONS

“Secretary of Education” substituted for “Secretary of Health, Education, and Welfare” in par. (4) pursuant to sections 301(a)(4)(B) and 507 of Pub. L. 96-88 which are classified to sections 3441(a)(4)(B) and 3507 of this title and which transferred all functions of Secretary of Health, Education, and Welfare under this chapter to Secretary of Education.

For transfer of functions and offices of Secretary and Department of Health, Education, and Welfare, including Rehabilitation Services Administration and Commissioner thereof, to Secretary and Department of Education, and for delegation of certain functions of Secretary of Education under this chapter to Assistant Secretary for Special Education and Rehabilitative Services, see sections 3417 and 3441 of this title.

§ 107e-1. Repealed. Pub. L. 93-516, title II, § 205, Dec. 7, 1974, 88 Stat. 1626

Section, act June 20, 1936, ch. 638, § 7, as added Aug. 3, 1954, ch. 655, § 4(g), 68 Stat. 664, related to designation and status of states acting as licensing agents before July 1, 1954.

The content of Pub. L. 93-516, including provisions of section 205 thereof which repealed this section, were originally contained in H.R. 14225, 93rd Congress, Second Session, which was pocket-vetoed during the 31-day intrasession adjournment of the 93rd Congress for the Congressional elections in November, 1974.

Pursuant to an order of the United States District Court for the District of Columbia (*Kennedy v. Jones*, D.C.D.C. 1976, 412 F.Supp. 353) H.R. 14225 was deemed to have become law without the approval of the President on Nov. 21, 1974, and was given the designation Pub. L. 93-651. Therefore, for purposes of codification, this section should be deemed to have been repealed by Pub. L. 93-651, title II, § 205, Nov. 21, 1974, 89 Stat. 2-11, in exactly the same manner as it was repealed by Pub. L. 93-516.

§ 107f. Authorization of appropriations

There is authorized to be appropriated such sums as may be necessary for carrying out the provisions of this chapter.

(June 20, 1936, ch. 638, § 10, formerly § 7, 49 Stat. 1560; renumbered § 8, Aug. 3, 1954, ch. 655, § 4(g), 68 Stat. 664; renumbered § 10, Pub. L. 93-516, title II, § 206, Dec. 7, 1974, 88 Stat. 1626; Pub. L. 93-651, title II, § 206, Nov. 21, 1974, 89 Stat. 2-11.)

CODIFICATION

The content of Pub. L. 93-516, including provisions of section 206 thereof which renumbered this section, were originally contained in H.R. 14225, 93rd Congress, Second Session, which was pocket-vetoed during the 31-day intrasession adjournment of the 93rd Congress for the Congressional elections in November, 1974.

Pursuant to an order of the United States District Court for the District of Columbia (*Kennedy v. Jones*, D.C.D.C. 1976, 412 F.Supp. 353) H.R. 14225 was deemed to have become law without the approval of the President on Nov. 21, 1974, and was given the designation Pub. L. 93-651. Therefore, for purposes of codification, this sec-

tion should be deemed to have been renumbered by Pub. L. 93-651, title II, § 206, Nov. 21, 1974, 89 Stat. 2-11, in exactly the same manner as it was amended by Pub. L. 93-516, title II, § 206, Nov. 21, 1974, 88 Stat. 1626.

CHAPTER 7—INSTRUCTION AS TO NATURE AND EFFECT OF ALCOHOLIC DRINKS AND NARCOTICS

Sec.

- 111. Study in certain schools of effect of alcoholic drinks and narcotics.
- 112. Enforcement of section 111.
- 113. Teachers' certificates dependent on passing examination on effect of alcoholic drinks and narcotics.

§ 111. Study in certain schools of effect of alcoholic drinks and narcotics

The nature of alcoholic drinks and narcotics, and special instruction as to their effects upon the human system, in connection with the several divisions of the subject of physiology and hygiene, shall be included in the branches of study taught in the common or public schools, and in the military and naval schools, and shall be studied and taught as thoroughly and in the same manner as other like required branches are in said schools, by the use of textbooks in the hands of pupils where other branches are thus studied in said schools, and by all pupils in all said schools throughout the Territories, in the Military and Naval Academies of the United States, and in the District of Columbia, and in all Indian and colored schools in the Territories of the United States.

(May 20, 1886, ch. 362, § 1, 24 Stat. 69.)

§ 112. Enforcement of section 111

It shall be the duty of the proper officers in control of any school described in section 111 of this title to enforce the provisions of this chapter; and any such officer, school director, committee, superintendent, or teacher who shall refuse or neglect to comply with the requirements of this chapter, or shall neglect or fail to make proper provisions for the instruction required and in the manner specified by section 111 of this title, for all pupils in each and every school under his jurisdiction, shall be removed from office, and the vacancy filled as in other cases.

(May 20, 1886, ch. 362, § 2, 24 Stat. 69.)

§ 113. Teachers' certificates dependent on passing examination on effect of alcoholic drinks and narcotics

No certificate shall be granted to any person to teach in the public schools of the District of Columbia or Territories who has not passed a satisfactory examination in physiology and hygiene, with special reference to the nature and the effects of alcoholic drinks and other narcotics upon the human system.

(May 20, 1886, ch. 362, § 3, 24 Stat. 69.)

CHAPTER 8—HOWARD UNIVERSITY

SUBCHAPTER I—GENERAL PROVISIONS

Sec.

- 121. Annual report of president and directors.

- Sec.
 122. Limitation on use of appropriations.
 123. Annual appropriations; inspection by Secretary of Education.
 124. Transfer of Freedmen's Hospital to Howard University.
 125. Employees of hospital.
 126. Authorization of appropriations for construction of hospital facilities.
 127. Transfer of facilities by University or cessation of operation as teaching hospital facilities; recovery of value by United States.
 128. Authorization of appropriations for partial support of operation of facilities; separate account.
 129. Financial policy; report to Congress.
 130. Purchases through the General Services Administration.
 130a. Financial and program audit by Secretary.
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 130aa-1. Program authorized.
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 130aa-4. Enforcement.
 130aa-5. Authorization of appropriations.

SUBCHAPTER I—GENERAL PROVISIONS

§ 121. Annual report of president and directors

The president and directors of Howard University shall report to the Secretary of Education the condition of the institution on the 1st of July of each year, embracing therein the number of pupils received and discharged or leaving the same for any cause during the preceding year, and the number remaining; also, the branches of knowledge and industry taught and the progress made therein together with a statement showing the receipts of the institution and from what sources, and its disbursements, and for what objects.

(July 1, 1898, ch. 546, § 1, 30 Stat. 624; 1940 Reorg. Plan No. IV, § 11(c), eff. June 30, 1940, 5 F.R. 2422, 54 Stat. 1237; 1953 Reorg. Plan No. 1, §§ 5, 8, eff. Apr. 11, 1953, 18 F.R. 2053, 67 Stat. 631; Pub. L. 96-88, title III, § 301(a)(2)(M), title V, § 507, Oct. 17, 1979, 93 Stat. 678, 692.)

TRANSFER OF FUNCTIONS

“Secretary of Education” substituted in text for “Secretary of Health, Education, and Welfare” pursuant to sections 301(a)(2)(M) and 507 of Pub. L. 96-88, which are classified to sections 3441(a)(2)(M) and 3507 of this title and which transferred all functions of Secretary of Health, Education, and Welfare under this subchapter to Secretary of Education.

Functions of Federal Security Administrator transferred to Secretary of Health, Education, and Welfare and all agencies of Federal Security Agency transferred to Department of Health, Education, and Welfare by section 5 of Reorg. Plan No. 1 of 1953, set out in the Appendix to Title 5, Government Organization and Employees. Federal Security Agency and office of Administrator abolished by section 8 of Reorg. Plan No. 1 of 1953.

Functions of Department of the Interior relating to administration of Howard University transferred to Federal Security Agency to be administered under direction and supervision of Federal Security Administrator, and annual report required to be furnished to Secretary of the Interior by President and directors of said University was directed to be furnished to Federal Security Administrator, by Reorg. Plan No. IV of 1940, set out in the Appendix to Title 5.

SIMILAR PROVISIONS

A similar requirement of a report of the expenditures of the University accompanied the appropriation for the same purposes in the following prior acts:

- Mar. 3, 1893, ch. 208, 27 Stat. 595.
 Aug. 5, 1892, ch. 380, 27 Stat. 372.
 Mar. 3, 1891, ch. 542, 26 Stat. 973.

§ 122. Limitation on use of appropriations

No part of the appropriations made by Congress for the Howard University shall be used, directly or indirectly, for the support of the theological department of said university, nor for the support of any sectarian, denominational, or religious instruction therein; and no part thereof shall be paid to said university until it shall accord to the Secretary of Education, or to his designated agent or agents, authority to visit and inspect such university and to control and supervise the expenditure therein of all moneys paid under said appropriations.

(Mar. 3, 1899, ch. 424, 30 Stat. 1101; 1940 Reorg. Plan No. IV, § 11(c), eff. June 30, 1940, 5 F.R. 2422, 54 Stat. 1237; 1953 Reorg. Plan No. 1, §§ 5, 8, eff. Apr. 11, 1953, 18 F.R. 2053, 67 Stat. 631; Pub. L. 96-88, title III, § 301(a)(2)(M), title V, § 507, Oct. 17, 1979, 93 Stat. 678, 692.)

TRANSFER OF FUNCTIONS

“Secretary of Education” substituted in text for “Secretary of Health, Education, and Welfare” pursuant to sections 301(a)(2)(M) and 507 of Pub. L. 96-88, which are classified to sections 3441(a)(2)(M) and 3507 of this title and which transferred all functions of Secretary of Health, Education, and Welfare under this subchapter to Secretary of Education.

Functions of Federal Security Administrator transferred to Secretary of Health, Education, and Welfare and all agencies of Federal Security Agency transferred to Department of Health, Education, and Welfare by section 5 of Reorg. Plan No. 1 of 1953, set out in the Appendix to Title 5, Government Organization and Employees. Federal Security Agency and office of Administrator abolished by section 8 of Reorg. Plan No. 1 of 1953.

Functions of Department of the Interior relating to administration of Howard University transferred to Federal Security Agency to be administered under direction and supervision of Federal Security Administrator by Reorg. Plan No. IV of 1940, set out as a note in the Appendix to Title 5.

PRIOR PROVISIONS

Similar prior provisions were contained in act July 1, 1898, ch. 546, 30 Stat. 624.

§ 123. Annual appropriations; inspection by Secretary of Education

Annual appropriations are authorized to aid in the construction, development, improvement, endowment, and maintenance of the university, no part of which shall be used for religious instruction. The university shall at all times be open to inspection by the Secretary of Education and shall be inspected by the said Secretary at least once each year.

(Mar. 2, 1867, ch. 162, § 8, 14 Stat. 439; Dec. 13, 1928, ch. 26, 45 Stat. 1021; 1940 Reorg. Plan No. IV, § 11(c), eff. June 30, 1940, 5 F.R. 2422, 54 Stat. 1237; Aug. 7, 1946, ch. 770, § 1(60), 60 Stat. 871; Pub. L. 96-88, title III, § 301(a)(2)(M), title V, § 507, Oct. 17, 1979, 93 Stat. 678, 692; Pub. L. 98-480, title II, § 208, Oct. 17, 1984, 98 Stat. 2247.)

AMENDMENTS

1984—Pub. L. 98-480 inserted “endowment,” after “improvement.”

1946—Act Aug. 7, 1946, repealed third sentence which required that an annual report of the affairs of the university be presented to Congress in the report of Office of Education.

1928—Act Dec. 13, 1928, authorized annual appropriations for the university, prohibited use of funds for religious instruction, made the university subject to inspection at least once a year by the Bureau of Education, and substituted provision that the annual report of the university's affairs be presented to Congress by the Bureau for provision that the Board of Trustees publish such an annual report.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98-480 effective Oct. 1, 1984, see section 209 of Pub. L. 98-480, set out as an Effective Date note under section 130aa of this title.

TRANSFER OF FUNCTIONS

“Secretary of Education” substituted in text for “Secretary of Health, Education, and Welfare” pursuant to sections 301(a)(2)(M) and 507 of Pub. L. 96-88 which are classified to sections 3441(a)(2)(M) and 3507 of this title and which transferred all functions of Secretary of Health, Education, and Welfare under this subchapter to Secretary of Education.

Functions of Federal Security Administrator transferred to Secretary of Health, Education, and Welfare and all agencies of Federal Security Agency transferred to Department of Health, Education, and Welfare by section 5 of Reorg. Plan No. 1 of 1953, eff. Apr. 11, 1953, 18 F.R. 2053, 67 Stat. 631, set out in the Appendix to Title 5, Government Organization and Employees. Federal Security Agency and office of Administrator abolished by section 8 of Reorg. Plan No. 1 of 1953.

Office of Education transferred to Federal Security Agency by Reorg. Plan No. I of 1939, §§ 201, 204, eff. July 1, 1939, set out in the Appendix to Title 5.

Office of Education created and placed in Department of the Interior by the act of July 20, 1868, ch. 176, 15 Stat. 106, which abolished the Department of Education. In the appropriation act of July 12, 1870, ch. 251, 16 Stat. 242, the Office was designated the Bureau of Education. This designation was retained until the act of May 14, 1930, ch. 273, 46 Stat. 281, 319, which made appropriations for the “Office of Education.”

REPORTS CONTINUED

Office of Education was directed to continue its inspections of Howard University in accordance with provisions of existing law, by Reorg. Plan No. IV of 1940, set out in the Appendix to Title 5, Government Organization and Employees.

§ 124. Transfer of Freedmen's Hospital to Howard University

(a) Purpose; authorization; agreement

For the purpose of assisting in the provision of teaching hospital resources for Howard University, thereby assisting the university in the training of medical and allied personnel and in providing hospital services for the community, the Secretary of Health, Education, and Welfare shall, pursuant to agreement with the board of trustees of Howard University, transfer to Howard University, without reimbursement, all right, title, and interest of the United States in certain lands in the District of Columbia, together with the buildings and improvements thereon and the personal property used in connection therewith (as determined by the Secretary), commonly known as Freedmen's Hospital.

(b) Congressional intent

It is the intent of Congress (1) that the transfer of Freedmen's Hospital to Howard University be effected as soon as practicable, (2) to assure the well-being of patients at Freedmen's Hospital during the period of transition, and (3) that the transfer be effected with minimum dislocation of the present hospital staff and maximum consideration of their interests as employees.

(c) Report to Congress

The Secretary of Health, Education, and Welfare shall report to the Congress the terms of the agreement for such transfer.

(Pub. L. 87-262, § 1, Sept. 21, 1961, 75 Stat. 542.)

TRANSFER OF FUNCTIONS

Functions of Secretary of Health, Education, and Welfare under laws relating to relationship between Howard University and Department of Health, Education, and Welfare transferred to Secretary of Education by section 3441(a)(2)(M) of this title.

REPEAL OF LAWS APPLICABLE TO FREEDMEN'S HOSPITAL

Section 7 of Pub. L. 87-262 provided that: “All laws heretofore applicable specifically to Freedmen's Hospital are, to the extent of such applicability, repealed, effective with the transfer of Freedmen's Hospital pursuant to section 1 [this section].”

TRANSFER OF FUNDS

Section 8 of Pub. L. 87-262 provided that: “All unexpended balances of appropriations, allocations, and other funds, available or to be made available, of Freedmen's Hospital are, effective with the transfer of Freedmen's Hospital pursuant to section 1 [this section], transferred to Howard University for use in the operation of the Howard University Hospital facilities, except to the extent (determined by the Director of the Bureau of the Budget [Director of the Office of Management and Budget]) required to meet obligations already incurred and not assumed by the university.”

§ 125. Employees of hospital

(a) Opportunity to transfer; guarantee of rights and benefits

The agreement for transfer of Freedmen's Hospital referred to in section 124 of this title shall include provisions to assure that—

(1) all individuals who are career or career-conditional employees of the hospital on the day preceding the effective date of the transfer of the hospital, except those in positions with respect to which they have been notified not less than six months prior to the effective date of such transfer that their positions are to be abolished, will be offered an opportunity to transfer to Howard University;

(2) Howard University—

(A) will not reduce the salary levels for such employees who transfer,

(B) will deposit currently (i) in the civil service retirement and disability fund referred to in section 8348 of title 5, the employee deductions and agency contributions required by subchapter III of chapter 83 of title 5, and (ii) in the fund referred to in section 8714 of title 5, the employee deductions and agency contributions required by chapter 87 of title 5.

(C) will provide other benefits for such employees as nearly equivalent as may be prac-

licable to those generally applicable, on the effective date of the transfer of the hospital, to civilian employees of the United States, and

(D) in determining the seniority rights of its employees, Howard University will credit service with Freedmen's Hospital performed by such employees who transfer, on the same basis as it would credit such service had it been performed for such University;

(3) the transfer will become effective not later than the beginning of the second month which begins after construction of the new hospital facilities authorized by section 126 of this title is commenced.

(b) Placement of employees in comparable Federal positions

The Department of Health, Education, and Welfare shall make every reasonable effort to place in other comparable Federal positions all individuals who are career or career-conditional employees of Freedmen's Hospital on September 21, 1961 and who do not transfer to Howard University.

(c) Services performed in the employ of United States

Each individual who is an employee of Freedmen's Hospital on September 21, 1961 and who transfers to Howard University shall, so long as he is continuously in the employ of Howard University, be regarded as continuing in the employ of the United States for the purposes of subchapter III of chapter 83 of title 5, chapter 87 of title 5. For purposes of section 3121(b) of title 26 and section 410 of title 42, service performed by such individual during the period of his employment at Howard University shall be regarded as though performed in the employ of the United States.

(Pub. L. 87-262, § 2, Sept. 21, 1961, 75 Stat. 542; Pub. L. 99-514, § 2, Oct. 22, 1986, 100 Stat. 2095.)

CODIFICATION

In subsec. (a)(2)(B), "civil service retirement and disability fund referred to in section 8348 of title 5" substituted for "civil service retirement and disability fund required by the Act of May 22, 1920" on authority of Pub. L. 89-554, § 7(b), Sept. 6, 1966, 80 Stat. 631, the first section of which enacted Title 5, Government Organization and Employees. Previously, act May 22, 1920, ch. 195, 41 Stat. 614, was superseded by act May 29, 1930, known as the Civil Service Retirement Act of 1930, which was generally amended by act July 31, 1956, ch. 804, § 401, 70 Stat. 743.

In subsecs. (a)(2)(B) and (c), "subchapter III of chapter 83 of title 5" substituted for "the Civil Service Retirement Act" on authority of Pub. L. 89-554, § 7(b), Sept. 6, 1966, 80 Stat. 631, the first section of which enacted Title 5.

In subsec. (a)(2)(B), "fund referred to in section 8714 of title 5" substituted for "the fund created by section 5(c) of the Federal Employees' Group Life Insurance Act of 1954" and, in subsecs. (a)(2)(B) and (c), "chapter 87 of title 5" substituted for "the Federal Employees' Group Life Insurance Act of 1954", on authority of Pub. L. 89-554, § 7(b), Sept. 6, 1966, 80 Stat. 631, the first section of which enacted Title 5.

AMENDMENTS

1986—Subsec. (c). Pub. L. 99-514 substituted "Internal Revenue Code of 1986" for "Internal Revenue Code of 1954", which for purposes of codification was translated as "title 26" thus requiring no change in text.

TRANSFER OF FUNCTIONS

Functions of Secretary of Health, Education, and Welfare under laws relating to relationship between Howard University and Department of Health, Education, and Welfare transferred to Secretary of Education by section 3441(a)(2)(M) of this title.

§ 126. Authorization of appropriations for construction of hospital facilities

For the purpose specified in section 124 of this title, there are authorized to be appropriated such sums as may be necessary for the construction of a building or buildings and facilities, including equipment, and for remodeling of existing buildings (including repair and replacement of equipment) which are to be combined with the building or buildings and facilities so constructed, to provide a hospital with a capacity of not to exceed five hundred beds.

(Pub. L. 87-262, § 3, Sept. 21, 1961, 75 Stat. 543.)

§ 127. Transfer of facilities by University or cessation of operation as teaching hospital facilities; recovery of value by United States

If, within twenty years after the completion of construction (as determined by the Secretary of Health, Education, and Welfare) of the new hospital facilities authorized by section 126 of this title, any of such facilities, or of the facilities transferred pursuant to section 124 of this title and combined with such new facilities, are transferred by Howard University to any other person or entity (except a transfer to the United States) or cease to be operated by the university as teaching hospital facilities, the United States shall be entitled to recover from the transferee or the university, in the case of a transfer, or from the university, if there is no transfer, an amount equal to the then value of such facilities (or so much thereof as is involved in the transfer, as the case may be), such value to be determined by agreement of the parties or by action brought in the United States District Court for the District of Columbia.

(Pub. L. 87-262, § 4, Sept. 21, 1961, 75 Stat. 543.)

TRANSFER OF FUNCTIONS

Functions of Secretary of Health, Education, and Welfare under laws relating to relationship between Howard University and Department of Health, Education, and Welfare transferred to Secretary of Education by section 3441(a)(2)(M) of this title.

§ 128. Authorization of appropriations for partial support of operation of facilities; separate account

In order to facilitate operation of teaching hospital facilities at Howard University, there are authorized to be appropriated annually to the university such sums as the Congress may determine, for the partial support of the operation of such facilities giving consideration to the cost imposed by the provisions of section 125 of this title and the portion of the agreement under sections 124 to 129 of this title relating to such provisions. The cost of operating such facilities, the appropriations pursuant to this section, and any other income derived from such operation or available for such purpose shall be identified and accounted for separately in the accounts of the university.

(Pub. L. 87-262, § 5, Sept. 21, 1961, 75 Stat. 543.)

§ 129. Financial policy; report to Congress

It is declared to be the policy of the Congress that, to the extent consistent with good medical teaching practice, the Howard University Hospital facilities shall become progressively more self-supporting. In order to further this policy, the President shall submit to the Congress a report, based on a study of the financing of the operation of the hospital, containing his recommendations on the rate at which, consistent with the above policy, Federal financial participation in such cost of operation shall be reduced. Such report shall be submitted not later than the end of the second calendar year following the year in which the construction of the new hospital facilities, authorized by section 126 of this title, is completed.

(Pub. L. 87-262, § 6, Sept. 21, 1961, 75 Stat. 544.)

§ 130. Purchases through the General Services Administration

On and after September 8, 1978, Howard University is authorized to make purchases through the General Services Administration.

(Pub. L. 95-355, title I, § 100, Sept. 8, 1978, 92 Stat. 531.)

CODIFICATION

Section is from the Second Supplemental Appropriations Act, 1978, and contained additional provisions relating to purchases by the American Printing House for the Blind, Gallaudet University, and the National Technical Institute for the Deaf, which are set out in sections 106 and 4362 of this title.

§ 130a. Financial and program audit by Secretary

Funds appropriated in this Act or subsequent Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Acts to Howard University shall be subject to financial and program audit by the Secretary of Education and the Secretary may withhold all or any portion of these appropriations if he determines that an institution has not cooperated fully in the conduct of such audits.

(Pub. L. 102-394, title III, § 301, Oct. 6, 1992, 106 Stat. 1819.)

CODIFICATION

Section is from the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1993, and contained additional provisions relating to the American Printing House for the Blind, Gallaudet University, and the National Technical Institute for the Deaf, which are set out as sections 106a and 4363 of this title, respectively.

SUBCHAPTER II—ENDOWMENT

§ 130aa. Definitions

For purposes of this subchapter—

(1) the term “endowment fund” means a fund, or a tax exempt foundation, established and maintained by Howard University for the purpose of generating income for its support, but which shall not include real estate;

(2) the term “endowment fund corpus” means an amount equal to the grants awarded

under this subchapter plus an amount equal to such grants provided by Howard University;

(3) the term “endowment fund income” means an amount equal to the total value of the endowment fund established under this subchapter minus the endowment fund corpus;

(4) the term “Secretary” means the Secretary of Education; and

(5) the term “University” means the Howard University established by the Act of March 2, 1867.

(Pub. L. 98-480, title II, § 202, Oct. 17, 1984, 98 Stat. 2245.)

REFERENCES IN TEXT

Act of March 2, 1867, referred to in par. (5), is act Mar. 2, 1867, ch. 162, 14 Stat. 438, as amended. Section 8 of this Act is classified to section 123 of this title. For complete classification of this Act to the Code, see Tables.

EFFECTIVE DATE

Section 209 of title II of Pub. L. 98-480 provided that: “This title [see Short Title note below] shall take effect on October 1, 1984.”

SHORT TITLE

Section 201 of title II of Pub. L. 98-480 provided that: “This title [enacting this subchapter, amending section 123 of this title, and enacting provisions set out as a note above] may be cited as the ‘Howard University Endowment Act’.”

§ 130aa-1. Program authorized

(a) The Secretary is authorized to establish an endowment program, in accordance with the provisions of this subchapter, for the purpose of establishing or increasing endowment funds, providing additional incentives to promote fundraising activities, and encouraging independence and self-sufficiency at the University.

(b)(1) From the funds appropriated pursuant to this subchapter for endowments in any fiscal year for the University, the Secretary is authorized to make grants to Howard University. The Secretary may enter into agreements with the University and include in any agreement made pursuant to this subchapter such provisions deemed necessary by the Secretary to assure that the purposes of this subchapter will be achieved.

(2) The University may receive a grant under this section only if it has deposited in the endowment fund established under this subchapter an amount equal to such grant and has adequately assured the Secretary that it will administer the endowment fund in accordance with the requirements of this subchapter. The source of funds for this institutional match shall not include Federal funds or funds derived from an existing endowment fund.

(3) The period of any grant under this section shall not exceed twenty years, and during such period the University shall not withdraw or expend any of its endowment fund corpus. Upon the expiration of any grant period, the University may use the endowment fund corpus plus any endowment fund income for any educational purpose.

(Pub. L. 98-480, title II, § 203, Oct. 17, 1984, 98 Stat. 2245.)

§ 130aa-2. Investments

(a) The University shall invest its endowment fund corpus and endowment fund income in those low-risk instruments and securities in which a regulated insurance company may invest under the law of the District of Columbia, such as federally insured bank savings account or comparable interest bearing account, certificate of deposit, money market fund, mutual fund, or obligations of the United States.

(b) The University, in investing its endowment fund corpus and income, shall exercise the judgment and care, under circumstances then prevailing, which a person of prudence, discretion, and intelligence would exercise in the management of his own business affairs.

(Pub. L. 98-480, title II, §204, Oct. 17, 1984, 98 Stat. 2246.)

§ 130aa-3. Withdrawals and expenditures**(a) Defrayment of expenses; restrictions on use of income or corpus; limits on withdrawals or expenditures**

The University may withdraw and expend its endowment fund income to defray any expenses necessary to its operation, including expenses of operations and maintenance, administration, academic and support personnel, construction and renovation, community and student services programs, technical assistance, and research. No endowment fund income or corpus may be used for any type of support of the executive officers of the University or for any commercial enterprise or endeavor entered into after January 1, 1981. Except as provided in subsection (b) of this section, the University shall not, in the aggregate, withdraw or expend more than 50 per centum of the total aggregate endowment fund income earned prior to the time of withdrawal or expenditure.

(b) Authority of Secretary; withdrawal or expenditure beyond limits; circumstances demonstrating necessity

The Secretary is authorized to permit the University to withdraw or expend more than 50 per centum of its total aggregate endowment income whenever the University demonstrates such withdrawal or expenditure is necessary because of—

- (A) a financial emergency, such as a pending insolvency or temporary liquidity problem;
- (B) a life-threatening situation occasioned by a natural disaster or arson; or
- (C) another unusual occurrence or exigent circumstance.

(c) Repayment of Federal share of amounts improperly expended or withdrawn; endowment fund corpus; income

(1) If the University withdraws or expends more than the endowment fund income authorized by this section, the University shall repay the Secretary an amount equal to 50 per centum of the amount improperly expended (representing the Federal share thereof).

(2) The University shall not withdraw or expend any endowment fund corpus. If the University withdraws or expends any endowment fund corpus, the University shall repay the Secretary

an amount equal to 50 per centum of the amount withdrawn or expended (representing the Federal share thereof) plus any income earned thereon.

(Pub. L. 98-480, title II, §205, Oct. 17, 1984, 98 Stat. 2246.)

§ 130aa-4. Enforcement

(a) After notice and an opportunity for a hearing, the Secretary is authorized to terminate and recover any grant awarded under this subchapter if the University—

(1) withdraws or expends any endowment fund corpus, or any endowment fund income in excess of the amount authorized by section 130aa-3 of this title;

(2) fails to invest its endowment fund corpus or income in accordance with the investment standards set forth in section 130aa-2 of this title; or

(3) fails to account properly to the Secretary concerning investments and expenditures of its endowment fund corpus or income.

(b) If the Secretary terminates a grant under subsection (a) of this section, the University shall return to the Treasury of the United States an amount equal to the sum of the original grant or grants under this subchapter¹ plus any income earned thereon. The Secretary may direct the University to take such other appropriate measures to remedy any violation of this subchapter and to protect the financial interest of the United States.

(Pub. L. 98-480, title II, §206, Oct. 17, 1984, 98 Stat. 2247.)

CODIFICATION

This subchapter, the first time it appears in subsection (b), was in the original “this Act” which was translated as reading “this title”, meaning title II of Pub. L. 98-480, Oct. 17, 1984, 98 Stat. 2236, as the probable intent of Congress.

§ 130aa-5. Authorization of appropriations

There is authorized to be appropriated \$2,000,000 for the purposes authorized under section 130aa-1 of this title. Funds appropriated under this section shall remain available until expended.

(Pub. L. 98-480, title II, §207, Oct. 17, 1984, 98 Stat. 2247.)

CHAPTER 9—NATIONAL TRAINING SCHOOL FOR BOYS**§§ 131 to 152. Omitted****CODIFICATION**

Sections provided for the National Training School for Boys which was governed and managed by a Board of Trustees until July 1, 1939, at which time 1939 Reorg. Plan No. 2 (4 F.R. 2731, 53 Stat. 1431) abolished the Board of Trustees and transferred the School and its functions (including the functions of the Board of Trustees) to the Department of Justice, to be administered by the Director of the Bureau of Prisons, under the direction and supervision of the Attorney General. The School was so operated until May 15, 1968, when it was closed pursuant to order of the Attorney General.

¹ See Codification note below.